

**Exhibit 12**  
**Maryland’s Estimated Phase II WIP Implementation Costs**  
 (\$ in Millions)

<u>Source Sector</u>	<u>2010-2017 Cost</u>	<u>Total 2010-2025 Cost</u>	
<b>Agriculture</b>	\$498	\$928	6%
<b>Municipal Wastewater</b>	\$2,368	\$2,368	
Major Municipal Plants	2,306	2,306	
Minor Municipal Plants	62	62	
<b>Stormwater</b>	\$2,546	\$7,388	
Maryland Department of Transportation	467	1,500	
Local Government	2,079	5,888	
<b>Septic Systems</b>	\$824	\$3,719	26%
Upgrades	562	2,358	
Connections	237	1,273	
Pumping	25	88	
<b>Total</b>	<b>\$6,236</b>	<b>\$14,403</b>	

WIP: Watershed Implementation Plan

Note: The exhibit does not reflect costs associated with controlling combined sewer and sanitary overflows or the implementation of the Healthy Air Act. The exhibit reflects the final Phase II WIP estimate released October 26, 2012.

Source: *Phase II Watershed Implementation Plan*; Maryland Department of the Environment

The State’s Phase II WIP implementation costs are allocated into four main sectors: agriculture, municipal wastewater, stormwater, and septic systems. Some of the major categories of implementation costs and the entities involved in addressing these costs are described in further detail below.

- ***Agricultural Best Management Practices*** – Funding for agricultural sector improvements represents \$928 million, or 6%, of the total estimated WIP implementation cost. Currently, implementation of agricultural BMPs has been funded with private, federal, and State funding. Recent nutrient management regulations placed additional financial burden on farmers.
- ***Municipal Wastewater Treatment Plant Upgrades*** – Funding for municipal wastewater sector improvements represents \$2.4 billion, or 16%, of the total estimated WIP implementation cost. State BRF revenue is providing a significant portion of the funding necessary to upgrade the State’s major publicly owned WWTPs over the next five years. However, the source and likelihood of the funding necessary to upgrade the majority of minor municipal WWTPs is less clear.